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# Press Release

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**ATTORNEY GENERAL DARRELL MCGRAW  
SETTLES DRUG PRICING LAWSUIT AGAINST DEY, INC.**

West Virginia Attorney General Darrell McGraw today announced a settlement of drug pricing litigation against Dey, Inc., a manufacturer of prescription drugs. Dey, Inc. a unit of Merck KGAA of Germany, agreed to pay three state agencies \$750,000 to settle claims that it caused the State to pay higher reimbursements for its drugs.

West Virginia alleged that Dey, Inc. of Napa, California, caused healthcare providers to submit inflated reimbursement claims to the West Virginia Medicaid program, Public Employees Insurance Agency, and Workers' Compensation program by submitting inflated average wholesale price ("AWP") data to several organizations that provide average wholesale prices to State agencies. The State agencies rely on such information to set reimbursement rates for prescription drugs. A primary Dey, Inc. product at issue in the lawsuit was albuteral sulfate, an inhalant that promotes easier breathing for those with asthma and other breathing ailments.

The Attorney General's office sued Dey and four other drug manufacturers in 2001 in the Circuit Court of Kanawha County. West Virginia's settlement with Dey does not affect the State's claims against the other manufacturers.

"Prices of prescription drugs are too high," said Attorney General McGraw. "The state cannot continue to pay inflated prices for drugs which our citizens need. This settlement will help relieve the state's budgetary burden."

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